

CALIFORNIA MEDICAL ASSISTANCE COMMISSION

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**CALIFORNIA MEDICAL ASSISTANCE COMMISSION**

State Capitol, Room 112

Sacramento, CA

Minutes of Meeting

September 9, 2004

COMMISSIONERS PRESENT

Nancy E. McFadden, Chair
Thomas Calderon
Diane M. Griffiths
Teresa P. Hughes
Vicki Marti
Lynn Schenk
Michael R. Yamaki

CMAC STAFF PRESENT

J. Keith Berger, Executive Director
Enid Barnes
Theresa Bueno
Paul Cerles
Denise DeTrano
Holland Golec
Mervin Tamai
Karen Thalhammer

EX-OFFICIO MEMBERS PRESENT

Kirk Feely, Department of Finance
Sunni Burns/Stam Rosenstien, Department of Health Services

I. Call to Order

The September 9, 2004 open session meeting of the California Medical Assistance Commission (CMAC) was called to order by Chair Nancy E. McFadden. A quorum was present.

II. Approval of Minutes

The July 22 and August 12, 2004 meeting minutes were approved as prepared by CMAC staff.

Chair Nancy McFadden took a moment to welcome Kirk Feely from the Department of Finance to the Commission as that Department's new Ex-Officio representative.

III. Executive Director's Report

The Executive Director, Keith Berger, reported that there was a request from Catholic Healthcare West to appear before the Commission today in closed session. He indicated that the representatives from Catholic Healthcare West were present and recommended that the Commission approve the request to appear in closed session. The motion was unanimously approved.

Mr. Berger informed the Commissioners that there are four amendments for action during today's closed session.

Mr. Berger introduced Sunni Burns who represented the Department of Health Services (DHS). Ms. Burns reported that DHS is reviewing Medi-Cal Redesign proposals and will continue to do so in light of the California Performance Review's (CPR's) recommendations. DHS is continuing to work with its consultant and meeting with the hospitals and, later this month, will engage in preliminary discussions with the Centers for Medicare & Medicaid Services (CMS) regarding some of the redesign proposals.

Mr. Berger was very pleased to announce that Paul Cerles has been formally appointed to CMAC's Supervising Negotiator position. Mr. Berger noted that Mr. Cerles brings with him over 20 years of experience in state health programs.

Mr. Berger informed the Commissioners that the SB 1255 Round 17A request to participate letters were mailed to the hospitals on September 1. CMAC staff provided the Commission with a 1255 schedule and a copy of the letter. Mr. Berger noted that the deadline for eligible hospitals to return the Intent to Participate form is September 10, and the proposals from the hospitals are due September 17. Negotiations and final amendments are targeted for the end of October. Mr. Berger is hopeful that CMAC will be able to maintain that schedule, which would allow DHS to make payments by the middle of December.

Mr. Berger reminded the Commissioners that the California Healthcare Association (CHA) is to appear before the Commission in open session on September 23. CHA will give a presentation on the challenges facing the hospital industry.

In concluding his report, the Executive Director noted that the Commissioners approved CMAC's Annual Report to the Legislature 2004 at the last meeting on August 12. He stated that a final copy was provided to the Commissioners, posted on CMAC's website, and mailed to those on the Annual Report distribution list, which includes the Legislature.

IV. Medi-Cal Managed Care Activities

Paul Cerles, CMAC Supervising Negotiator, reported that CMAC staff has been working on a number of Medi-Cal Managed Care amendments for Healthy San Diego contractors, CalOPTIMA and the Health Plan of San Mateo. These negotiations primarily involve rate adjustments, such as retroactive rates for the Breast and Cervical Cancer Treatment Program (BCCTP). Mr. Cerles further indicated that DHS has distributed, to all Knox-Keene licensed plans in the state, a Request for Application (RFA) to identify new, potential contractors for both medical and dental Medi-Cal Managed Care plans in the Sacramento Geographic Managed Care (GMC) program. DHS will review and approve which applying plans are eligible to participate in the program and CMAC will negotiate the contracts. CMAC staff anticipates having plan referrals from DHS the first part of October, and will begin negotiations for new medical and dental contracts to be effective January 1, 2005.

V. New Business/Public Comments/Adjournment

There being no further new business and no additional comments from the public, Chair Nancy E. McFadden recessed the open session. Chair McFadden opened the closed session, and after closed session items were addressed, adjourned the closed session, at which time the Commission reconvened in open session. Chair McFadden announced that the Commission had taken action on contract amendments in closed session.

Stan Rosenstein, Department of Health Services, made several additional comments on the Medi-Cal Redesign to supplement Ms. Burns' earlier report.

Mr. Rosenstein also indicated that DHS is required to submit a request for renewal of the Selective Provider Contracting Program (SPCP) waiver by the end of September. He said DHS will ask for a six-month extension, which would take us to the end of the State's Fiscal Year 04-05.

In response to Commissioner Griffiths' question, Mr. Rosenstein indicated that DHS has been talking to many of the hospitals. Together they have come up with a list of key concepts that form the basis of the hospital-financing portion of Medi-Cal Redesign. He said that a concept paper would be made available to the Commission in the near future.

There being no further new business and no additional comments from the public, Chair Nancy E. McFadden recessed the second open session. Chair McFadden opened the second closed session, and after second closed session items were addressed, adjourned the second closed session, at which time the Commission reconvened once again in open session. Chair McFadden announced that the Commission had discussed CMAC issues in the second closed session, and adjourned the third open session.